



Software License Agreement

Software License Agreement—Licensor/Northrop Grumman Mission Systems

This Software License Agreement ("License Agreement") is effective on the date of the last signature affixed hereto and is entered into between Northrop Grumman Space & Mission Systems Corporation, operating through Northrop Grumman Mission Systems Sector, a California corporation having a place of business at 12900 Federal Systems Park Drive, Fairfax, VA 22033 (hereinafter referred to as "Licensee") and Licensor, who's name and address are set forth at the end of this Agreement (hereinafter referred to as "Licensor").

In consideration of the valuable promises and mutual covenants contained herein, the above-identified parties agree as follows:

1. DEFINITIONS

1.1 "Enhancements" means alterations to the Licensed Program (as defined below) to provide: additional features or functions or utilities; increased capabilities to the existing functions or utilities; or, decreases in code mass and required storage capacity for functionally equivalent code.

1.2 "Licensed Program" means the software ("Software") and the documentation ("Documentation") identified in Exhibit 1.2 hereof.

1.3 "Modifications" means alterations to the Licensed Program to enable it to perform in conjunction with other computer software products or to perform specialized functions in specific applications.

1.4 "Purchase Order," "Order" or "PO" means a preprinted LICENSEE document referencing and incorporating this License Agreement.

1.5 "Revisions" means alterations to the Licensed Program to correct generic errors discovered in the Licensed Program.

1.6 "Derivative Work" means a work that is based on one or more preexisting works, such as a revision, enhancement, modification, translation, abridgement, condensation, expansion, or any other form in which such preexisting works may be recast, transformed, or adapted, and that, if prepared without authorization of the owner of the copyright in such preexisting work, would constitute a copyright infringement. For purposes hereof, a Derivative Work shall also include any compilation that incorporates such a preexisting work.

2. LICENSE GRANT

2.1 Subject to the terms and conditions contained herein, Licensor hereby grants to LICENSEE a non-exclusive, perpetual, worldwide license, without sublicensing rights, to use the number of copies of the Licensed Program as set forth in Exhibit 1.2 hereof.

2.2 RESERVED.

2.3 LICENSEE may install a copy of the Licensed Program in any goods, product or piece of equipment that it provides to any other person, corporation, academic institution or governmental agency, provided that:

2.3.1 The transfer of the copy of the Licensed Program along with the sale of the goods, product or piece of equipment in the which Licensed Program is installed must include the agreement by the recipient to accept the terms and conditions set forth in this license or, if the recipient is the United States government, the United States government's agreement that the Licensed Program is being provided as Commercial Computer Software (as defined in DFARS 227-7201) or with Restricted Rights (as defined in FAR 52.227-14 or DFARS 252.227-7014 or similar provisions) and to abide by the restrictions on government use set forth therein; and

2.3.2 The number of licensed copies of the Licensed Program operating at LICENSEE shall be diminished by the number of copies transferred to other parties as permitted above.

2.4 Nothing in this License Agreement shall be construed as giving LICENSEE any right to sell, assign, lease, or in any other manner transfer or in any other manner encumber Licensor's ownership of the Licensed Program.

2.5 LICENSE. In consideration of payment of the License fee, which is a portion of the price paid, the software and any images incorporated in or generated by it, and data accompanying it, this software (the "Product") and related documentation are licensed to Licensee by Licensor for the DTS application. The Product also contains proprietary software from RSA Security. Licensor retains all rights to the Product and the accompanying documentation, and all intellectual and industrial property rights therein. This non-exclusive License gives you the right to use and display the number of copies of the Product equal to the number of licenses purchased.

2.6 RESTRICTIONS.

2.6.1 Client-side licenses are for use solely with the DBsign server-side software.

2.6.2 Licensed software is for use solely by United States Department of Defense systems.

2.6.3 Server-side software licensed under this agreement is for use solely by the Defense Travel System, Enterprise Web Training System, and DTS Archive.

2.6.4 The Software contains copyrighted material, trade secrets, and other proprietary material. Licensee shall not re-sell, modify, translate, decompile, reverse engineer, disassemble or otherwise attempt to derive source code or create derivative works therefrom. Except as provided for in this License, licensee may not copy, modify, network, rent, lease, or otherwise distribute the Software; nor can licensee make the Software available by "bulletin boards," on-line services, remote dial-in, or network or telecommunications links of any kind; nor can licensee create derivative works or any other works that are based upon or derived from the Software in whole or in part.

2.6.5 Further Restrictions On Use For Software With Print Functions. Licensee agrees not to remove, alter or destroy any proprietary, trademark or copyright markings or notices placed upon or contained within the DBsign Software, Manuals and/or Guides or any related materials or documentation. If the Software provides licensee with the ability to print images containing Licensor's copyrighted characters or the copyrighted characters of third-party software used within DBsign, licensee must include all copyright notices that are included with the images generated by the Software. Without limiting the foregoing, licensee may not use images generated by the Software in connection with any advertising or promotional materials, without the prior, expressed, written approval of Licensor. Use of images generated by the Software for any purpose not specifically allowed by this License is a violation of Licensor's copyrights, trademarks and other proprietary rights and will result in the immediate termination of this License.

3. PAYMENT

3.1 LICENSEE agrees to pay Licensor the license fee, if any, set forth in Exhibit 1.2 of this License Agreement upon execution hereof (the "License Fee"). Licensor shall: submit to LICENSEE an invoice in duplicate, referencing the appropriate PO number for this License Agreement; shall invoice each PO separately and mail invoices to the mailing address listed on each PO; and shall include LICENSEE's PO number, including any change, modification, or revision designation or controlling blanket agreement number, on all invoices, packing lists, bills of lading, packages, containers, and correspondence processed under this License Agreement.

3.2 LICENSEE shall pay Licensor the amount of any sales or use taxes, or similar taxes, assessments or charges imposed by any governmental entity and paid by Licensor in respect of this License Agreement. LICENSEE shall pay such taxes with the License Fee, provided such taxes are separately stated by Licensor in invoices submitted pursuant to the provisions hereof. LICENSEE's liability hereunder does not extend to taxes based on possession prior to delivery of the Licensed Program, or to income or corporate excise taxes assessed against Licensor.

4. TERM AND TERMINATION

This License Agreement shall commence on the date first noted above and continue in effect thereafter so long as any Order Schedule or PO remains in effect (the "Term"). Either party may terminate this License Agreement upon giving written notice of termination and pursue any other remedies available at law or in equity if the other party fails to perform any material obligation required to be performed by it under any provision of this License Agreement within ten (10) days after the time specified or within ten (10) days after notice from the other party that such performance has become due. LICENSEE may terminate this License Agreement at any time by destroying the Licensed Program and all copies thereof in its possession, and informing Licensor in writing of the destruction and termination of this License Agreement.

5. INSTALLATION, TRAINING AND MAINTENANCE

Installation, conversion of existing data, training and maintenance of the Licensed Program shall be handled as set forth in Exhibit 1.2 hereof. Gradkell Systems, Inc. is committed to providing special maintenance at a to-be-negotiated price and date for the purpose of achieving and maintaining National Information Assurance Partnership (NIAP) Evaluation Assurance Level (EAL) 1 or 2.

6. OWNERSHIP

LICENSEE is given possession of the specified number of copies of the Licensed Program specified in Exhibit 1.2 to this License Agreement, but Licensor shall at all times retain title or full ownership interest in such Licensed Program and all Revisions, Modifications, Enhancements, and Derivative Works thereof, regardless of who creates such Revisions, Modifications, Enhancements, or Derivative Works. Nothing contained herein shall be deemed to convey any title or ownership interest in the Licensed Program to LICENSEE.

(LICENSEE is purchasing the licenses on behalf of the Department of the Defense; LICENSEE is the steward of the licenses; DoD "possesses" the licenses.)

7. CONFIDENTIAL INFORMATION

LICENSEE acknowledges that Licensor believes that the Licensed Program includes proprietary information of Licensor. LICENSEE agrees not to disclose or publish such information. The obligations of LICENSEE shall not apply:

7.1 to written information that is not marked with an appropriate legend identifying the information as proprietary or confidential;

7.2 to information that is or becomes publicly available without breach of this License Agreement;

7.3 to information that was known to LICENSEE at the time of disclosure, or later becomes known to LICENSEE from another independent source without similar restriction;

7.4 to information that LICENSEE develops independently through employees, agents or contractors not having access to Licensor's proprietary information;

7.5 to information required to be disclosed by governmental or judicial order, but only if Licensor is notified of the order as soon as practicable, but in any event prior to disclosure; or

7.6 after ten (10) years from the date of receipt of proprietary information from Licensor.

The provisions of this Article shall survive the termination or expiration of this License Agreement.

8. LICENSEE OBLIGATIONS

Except as otherwise provided in this License Agreement, LICENSEE shall not duplicate the Licensed Program or any portion thereof. LICENSEE may make the number of copies of the Licensed Program as are specified in Exhibit 1.2 herein, and may make additional copies of the Licensed Program for backup purposes in accordance with its standard archival procedures.

9. LIMITED WARRANTY

9.1 LICENSOR WARRANTS THAT THE LICENSED PROGRAM SHALL PERFORM IN ACCORDANCE WITH ALL PUBLISHED SPECIFICATIONS AS OF THE DATE OF THIS AGREEMENT PERTAINING THERETO.

9.2 Licensor warrants the media on which the Software is delivered to be free from defects in materials and workmanship under normal use. If a defect in the media should occur, the Software should be returned to Licensor at the address noted below, and Licensor shall, at LICENSEE's election, repair or replace the Software at no cost to LICENSEE.

9.3 Licensor further warrants that the Licensed Program shall function properly in and beyond the year 2000, and shall be Year 2000 ready. As used herein, "Year 2000 ready" includes, but is not to, the ability of the Licensed Program to handle accurately date information before, during and after December 31, 1999; function accurately and without interruption before, during and after January 1, 2000; process 2000 as a leap year; and correctly process dates with the year specified as "99" or "00," regardless of other subjective meanings attached to those values. The foregoing warranties are in addition to those available to LICENSEE by law.

9.4 All warranties under this Article 9 shall survive LICENSEE's acceptance, use and/or payment for the Licensed Program.

9.5 THE FOREGOING WARRANTIES ARE EXCLUSIVE AND IN LIEU OF ALL OTHER WARRANTIES WHETHER STATUTORY, EXPRESS OR IMPLIED (INCLUDING ALL WARRANTIES OF MERCHANTABILITY AND FITNESS FOR PARTICULAR PURPOSE AND ALL WARRANTIES ARISING FROM COURSE OF DEALING OR USAGE OF TRADE), EXCEPT OF TITLE, WITH RESPECT TO THE SOFTWARE OR DOCUMENTATION OF THE LICENSED PROGRAM FURNISHED BY LICENSOR UNDER THIS AGREEMENT OR ANY USE OF SUCH SOFTWARE OR DOCUMENTATION BY LICENSEE.

10. LIMITATION OF LIABILITY

NEITHER PARTY SHALL BE LIABLE TO THE OTHER PARTY IN CONTRACT, IN TORT OR OTHERWISE FOR DAMAGE OR LOSS OF EQUIPMENT, LOSS OF PROFITS OR REVENUE, LOSS OF USE OF EQUIPMENT, OR FOR ANY SPECIAL, INDIRECT, INCIDENTAL, OR CONSEQUENTIAL DAMAGES.

11. INTELLECTUAL PROPERTY INDEMNITY

11.1 Licensor shall, at its own expense and at its option, defend or settle any claim, suit, or proceeding brought against LICENSEE or its transferees, based on an allegation that the Licensed Program constitutes a direct or a contributory infringement of any claim of any patent, mask work, trade secret, or copyright, or violation of any other intellectual property right of the U.S. or individual State thereof. This obligation shall be effective only if Licensor is notified of each such allegation promptly in writing and given authority, information, and assistance for the settlement or defense of such claim, suit, or proceeding. Licensor shall pay all damages and costs arising as a result of such claim, suit or proceedings (including attorneys' fees and expenses). In the event of an adjudication by a court of competent jurisdiction that the Licensed Program or part thereof infringes or violates any third party intellectual property right or if the use or sale thereof is enjoined, or if the provisions of any negotiated settlement agreement prohibit the use of the Licensed Program,

Licensor shall at its option and its own expense, either: (a) procure for LICENSEE or its transferees the right to continue using the Licensed Program; or (b) replace the Licensed Program with non-infringing but functionally equivalent software; or (c) modify the Licensed Program so it becomes non-infringing but still maintains its previous functionality.

11.2 The foregoing indemnity does not apply to the following: (a) infringement by a combination of the Licensed Program with other software not furnished hereunder unless Licensor is a contributory infringer; (b) infringement resulting from changes made to the Licensed Program by LICENSEE; or (c) any settlements of a claim, suit, or proceeding made without Licensor's written consent.

12. INDEMNIFICATION

To the extent that Licensor's agents, employees, or subcontractors enter upon premises occupied by or under the control of LICENSEE in the course of the performance of this License Agreement, Licensor shall take all necessary precautions to prevent the occurrence of any injury (including death) to any persons, or of any damage to any property arising out of acts or omissions of such agents, employees, or subcontractors, and except to the extent that any such injury or damage is due directly and solely to LICENSEE's negligence, Licensor shall indemnify, defend, and hold LICENSEE, its officers, directors, employees, and agents harmless from any and all costs, losses, expenses, damages, claims, suits, or any liability whatsoever, including attorneys' fees, arising out of any act or omissions of Licensor, its agents, employees or subcontractors.

13. THIRD PARTY SOFTWARE PROGRAMS

Operation of the Licensed Program may require the purchase and use by LICENSEE of software programs and/or runtime licenses provided by third parties. With the exception of the RSA embedded software, LICENSEE shall be solely responsible for obtaining the necessary software and licenses from third parties to enable operation of the Licensed Program, but Licensor will assist LICENSEE in obtaining the necessary licenses. Licensor agrees to notify LICENSEE of the specific third party software programs or runtime licenses necessary to operate Licensed Program.

14. INSURANCE

(The following clause is applicable only if and to the extent work under this Agreement is to be performed by Licensor on property under ownership, possession or control of LICENSEE or LICENSEE's customer.)

Licensor shall, at no additional cost to LICENSEE, obtain and keep in force during the term of this License Agreement (i) public liability and property damage insurance including contractual liability (both general and vehicle) in amounts satisfactory to LICENSEE, to cover the obligations set forth above; and (ii) worker's compensation and employer's liability insurance covering all employees engaged in the performance of this License Agreement for claims arising under any applicable Worker's Compensation and Occupational Disease Acts. The policies shall not be canceled by the issuing company unless a thirty (30) day written notice of cancellation first is given to LICENSEE. Certificates of the policy or policies representing the same shall be delivered to LICENSEE with evidence of the payment of the premiums thereof.

15. RESERVED.

16. COMPLIANCE WITH LAWS

16.1 **Executive Orders:** Licensor warrants that it (a) will not discriminate against any applicant for employment on the basis of race, color, non-job related handicap, veteran status, religion, sex, national origin or age; (b) will take affirmative action to ensure that applicants are employed and employees are treated during employment without regard to their race, color, religion, sex, national origin, veteran status or non-job related handicap, and (c) will otherwise at all times comply with all applicable Federal, state and local laws, rules, regulations, orders and ordinances relating to equal employment opportunity. Without limiting the generality of

the foregoing, Licensor shall at all times comply fully with the provisions of the following regulations and Executive Orders, as the same may from time to time be amended or modified, and all rules and regulations promulgated thereunder or relating thereto or to such Executive Orders, as so amended or modified, such rules and regulations being herein incorporated by this reference: (i) Executive Order 11246, as amended by Executive Order 11375 (relating to nondiscrimination in employment by Government contracts and trade contractors); (ii) Executive Order 11625 (relating to utilization of minority business enterprises); (iii) Executive Order 11701 and 41 CFR 60-250 (relating to employment of certain veterans); (iv) Executive Order 11758 and 41 CFR 60-741:4 (relating to employment of handicapped persons); and (v) Executive Order 11141 (relating to nondiscrimination on the basis of age). Licensor shall, upon request of LICENSEE, provide LICENSEE with such certifications and undertake such other actions as LICENSEE may deem appropriate to verify and assure Licensor's compliance with such Executive Orders and regulations.

16.2 Fair Labor Standards: Licensor warrants that each Licensed Program shall be made in compliance with the Fair Labor Standards Act of 1938, as amended.

16.3 FEDERAL GOVERNMENT CUSTOMERS: For all licenses purchased for use by United States government end-users or any contractor of the United States government, the following Federal Acquisition Regulations apply: (i) for acquisition by or on behalf of civilian agencies, DBsign and all third-party software compiled with DBsign is considered "commercial computer software", as specified in 48 C.F.R. 12.212 of the Federal Acquisition Regulations and its successor regulations; or (ii) for acquisition by or on behalf of units of the Department of Defense, DBsign and all third-party software compiled with DBsign is considered "commercial computer software" as defined in 48 C.F.R. 252.227-7014 of the Department of Defense Federal Acquisition Regulation Supplement (DFARS) and related documentation in accordance, as specified in 48 C.F.R. 227.7202.1 of DFARS and its successor regulations.

16.4 EXPORT COMPLIANCE AND FOREIGN RESHIPMENT LIABILITY: The DBsign software and technologies which are licensed under this agreement, whether or not incorporated into licensed products, are subject to United States Export Control Laws and Regulations which restrict exports, re-exports and disclosures to foreign persons of cryptographic items and are also subject to certain foreign laws which may restrict the export, re-export, import and/or use of such items. Performance of this agreement is expressly made subject to any export laws, regulations, orders or other restrictions imposed by the United States of America, or by any other country or governmental entity on the DBsign software or licensed products or of information relating to either of the foregoing. Notwithstanding any other provision of this agreement to the contrary, licensee shall not import, export, or re-export, directly or indirectly, any DBsign software or licensed products or information pertaining thereto to any country or foreign person to which such import, export, or re-export is restricted or prohibited, or as to which such country, government or any agency thereof requires an export license or other governmental approval at the time of import, export, or re-export without first obtaining such license or approval. Licensee unconditionally accepts full responsibility for compliance with these requirements.

16.5 Other Laws: In the performance of this License Agreement, Licensor shall fully comply with all other applicable laws and shall hold LICENSEE harmless from any liability directly or indirectly resulting from Licensor's failure to so comply. In the performance of this License Agreement, Licensee shall fully comply with all other applicable laws and shall hold Licensor harmless from any liability directly or indirectly resulting from Licensee's failure to so comply.

17. GENERAL

17.1 This License Agreement supersedes all prior agreements, proposals, representations, and communications between Licensor and LICENSEE relating to the subject matter contained herein.

17.2 The headings for each section are stated for convenience only and are not to be construed as limiting.

17.3 If a part of this License Agreement is held unenforceable or invalid or prohibited under law, it shall be struck from this License Agreement and shall not affect the enforceability of the other parts of this License Agreement.

17.4 Under the terms of this License Agreement, LICENSEE is a licensee of Licensor. LICENSEE is not an employee, agent, partner, contractor or representative of Licensor. The respective obligations and rights of Licensor and LICENSEE are specifically limited by the terms of this License Agreement.

17.5 This License Agreement shall be interpreted under the laws of the State of Alabama excluding its conflict of laws provisions.

IN WITNESS WHEREOF, the parties hereto have caused this License Agreement to be executed by their duly authorized representatives.

Gradkell Systems, Inc.
4910 University Square, Ste 2
Huntsville, AL 35816

By: On File

Northrop Grumman Space & Mission Systems Corporation
Northrop Grumman Mission Systems

By: On File

Exhibit 1.2

Licensed Program Software: Client Software (Enterprise-wide for the Department of Defense; estimated 800,000 seats)

DBsign Client Integration Modules version 2.3.1 for HTML, Oracle Web Forms, and Client/Server (part #'s DBS-CIM-002-HTML, DBS-CIM-002-OWF, DBS-CIM-002-CS)

DBsign Crypto Adapter Module version 2.3.1 (part # DBS-CCA-003a)

Server Software (Qty 2 Prod. & EWTS)

DBsign for HTML Applications Web Servlet version 2.3.1 (part # DBS-DBS-001-HTML)

Licensed Program Documentation:

None: All documentation is delivered in SoftCopy format with product (e.g., pdf file)

Licensed Number of Copies: Client Software (Enterprise-wide for the Department of Defense; estimated 800,000 seats)

DBsign Client Integration Modules version 2.3.1 for HTML, Oracle Web Forms, and Client/Server (part #'s DBS-CIM-002-HTML, DBS-CIM-002-OWF, DBS-CIM-002-CS)

DBsign Crypto Adapter Module version 2.3.1 (part # DBS-CCA-003a)

Server Software (Qty 2 Enterprise licenses for DTS (Prod. & EWTS/Development) and 1 DTS Archive Server License)

DBsign for HTML Applications Web Servlet version 2.3.1 (part # DBS-DBS-001-HTML)

Number of Copies of Software and Documentation Delivered:

None

Third Party Software Required:

None

Third Party Runtime Licenses Required:

None

Installation:

None

Conversion of Existing Data:

None

Training:

None

Maintenance:

7x24x365 Support for problem diagnosis and resolution